



# YOUR ENERGY CONNECTION

## Electric Costs to Increase Due to Increases in Natural Gas and Other Fossil Fuels

On December 14, 2005, the North Carolina Eastern Municipal Power Agency (NCEMPA) the city's electric supplier raised its electric rates to cities (including Rocky Mount) by ten percent effective January 1, 2006. The increase is a result of increases in supplemental power costs resulting from the escalating price of natural gas used in power generation, the price of coal, and other unanticipated cost increases.

Energy costs are continuing to rise across the nation. All electric providers are now facing the issue of higher costs as a result of increases in natural gas and other fossil fuels. According to NCEMPA officials, the majority (65 percent) of NCEMPA's power supply comes from nuclear power. Due to several outages in the recent months, these plants have reverted to gas turbines to provide continuous power. These along with the other fossil fuel (coal and natural gas) power plants are suffering from the continuous rise of the cost of natural gas. Gas powered plants provide much of the peak demand as these plants are easily powered up and down to meet electricity demands as they vary throughout the day and month.

NCEMPA officials also indicated the recent natural disasters of Hurricanes Katrina and Rita have contributed greatly to the rising costs of natural gas. Several production facilities, drilling rigs, pipelines and other infrastructure were damaged and are slowly recovering from these disasters. Because of the inability to produce more natural gas in recent months, suppliers have had to resort to tapping into stored reserves. Natural gas, primarily produced domestically, heats 52 % of American homes. This increase in demand has decreased the supply available.

Public Utilities Director Rich Worsinger stated, "The City of Rocky Mount is working to minimize the impact of these market forces through a number of cost cutting procedures, but rate hikes cannot be avoided. With operations already at a highly efficient level, opportunities for further cost reductions are limited. Ultimately, the level of fuel cost increases over the coming months and years will dictate the magnitude and direction of rate changes."

The ten percent wholesale rate increase will cost Rocky Mount approximately \$7.5 million annually. Several Electricities members have already taken action to increase their rates to their customers to recover the higher electric supply costs. The Rocky Mount City Council will consider similar action in January.

## BEAT THE PEAK

“Peak” or “Peak Demand” is the greatest amount of electricity used at one time by an electric system, normally when a large number of customers are using appliances at the same time. By controlling the electric load or load management, we can keep electric costs in control. Rocky Mount averages approximately less than 10 days per month load managing. There are several options available:

### Electric Water Heater Control-

Water heaters are cycled off during load management periods. Controlling water heaters will not affect the amount of hot water available. Customers receive **\$2.00** credit each month.

### Electric Heat Strip Control-

Heat strips are controlled during the winter load management periods, while compressors continue to provide heat. Customers receive **\$15.00** credit each month if the temperature falls to 25 degrees or below on a non-holiday weekday.

### Central Air Conditioning Total Control-

Customers receive **\$20.00** credit each month for July, August, and September. The credit is calculated based on yearly consumption. The compressor is turned off for the entire load management period. Fans will continue to circulate the cool air in your house, but your compressor will not generate any new cool air.

**There are no installation or maintenance charges associated with this program.**

**Call 972-1283 for more information .  
Start your savings now!**



January 2006

## Energy Conservation Tips

- Keep your thermostat set on 68 degrees for efficiency
- Caulk around all windows
- Weather-strip doors and windows
- Install door sweeps
- Use an expanding insulated foam such as *Great Stuff* to fill in around pipe entrances to act as an insulator
- Put on additional clothing instead of turning up the thermostat
- Install a water heater timer on an electric water heater
- Install a water heater jacket if the electric water heater is in an unconditioned space such as a garage, outside storage building, under the house, or in the attic
- Contact your local contractor for advice on how to check your insulation levels; if needed, add to the level of insulation in your attic and crawl space.
- Use outlet and switch plate foam insulators
- Keep fireplace dampers closed
- Replace incandescent bulbs and fixtures with compact or standard fluorescent lamps
- Clean warm-air registers, baseboard heaters, and radiators as needed and do not block them with furniture, carpeting, or drapes
- Use ventilation fans in the kitchen and bathroom wisely; in just one hour, these fans can pull out a houseful of warmed air
- Check your ducts for air leaks and repair with Mastic Seal
- Programmable thermostats reduce utility costs without sacrificing comfort by reducing the temperature in the home while occupants are away or sleeping
- Install low-flow faucets and showerheads
- Decrease the thermostat setting on your water heater to 120 degrees



### What to Do if You Smell Gas

Call the Rocky Mount Gas Department immediately, anytime day or night.

Day 972-1278

Night 972-1414

If you detect a gas leak, we want to know right away. Don't try to locate the problem yourself. If the odor is inside your home or business, an emergency situation could exist, and you should evacuate as a safety measure.

Open a window and make sure you use no electrical switches. Extinguish any open flames and evacuate the area.